

Reorganizing Operations to Enhance Capabilities as a Total Solutions Provider in the Ubiquitous Information Society

TOKYO February 28, 2002 --- On April 1, 2002, Hitachi, Ltd. (NYSE: HIT) will reorganize its operations in the information & telecommunications and digital media sectors. The move is designed to enhance Hitachi's capabilities as a total solutions provider in today's ubiquitous information society.

At present, Hitachi's operations in these sectors encompass five organizations: the Information & Telecommunications Systems Group; Solution Systems; Digital Media; Information & Network Services; and the Net-PDA Venture Company. Hitachi will reorganize these five organizations into three: the Information Business Group (tentative name), the Information & Telecommunications Group (tentative name), and the Ubiquitous Platform Group (tentative name).

The Internet continues to find its way into the very fabric of societies the world over, as PCs, mobile phones, PDAs and other terminals offer ready access to online networks. Society today is being shaped by ubiquitous access to information, with information available to anyone, anywhere, at any time. For Hitachi, such information provides a crucial lifeline for society. The company recognizes the growing need for total solutions in information systems, terminals and imaging systems to deliver greater peace of mind, security and comfort than ever before.

Over the years, Hitachi has gained unparalleled experience in a broad spectrum of businesses. Its technological prowess is also second to none. Combining these strengths, Hitachi is pursuing a variety of initiatives as it seeks to provide ever-more advanced solutions.

The information & telecommunications and digital media sectors are especially critical for advancing solutions businesses in the ubiquitous information society. It is therefore vital that the company reinforce its presence in these sectors above and beyond past endeavors. Enhancing its capabilities as a total solutions provider in a wide range of areas is a key priority. Reorganizing businesses into three groups will enable Hitachi to exhibit its collective strengths in information systems and network services for corporate clients, and information terminal solutions for individual customers.

One of the new entities to emerge from the reorganization is the Information & Telecommunications Group. Solutions will be the main focus of its activities, including information systems that draw on the best of Hitachi's expertise in data storage, servers and networks, as well as network and other information services.

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The Ubiquitous Platform Group will be at the heart of Hitachi's response to the broadband era. Here, imaging systems such as Plasma Display Panels (PDP) and LCD projectors, will be linked with PCs, mobile phones, PDAs and other terminals to provide solutions both to consumers and service providers whose business depends on operating centers in many locations.

Reaping the synergies of these two groups will be the responsibility of the Information Business Group. Another goal of this group will be to reinforce management at the consolidated level across IT-related businesses.

Taking the helm of the Information Business Group is Mr. Isao Ono, who currently heads the Information & Telecommunications Systems Group and is President and CEO of Solution Systems. Mr. Ono, who will serve concurrently as President and CEO of the new Information & Telecommunications Group, has been closely involved in Hitachi's measures to enhance its capabilities as a total solutions provider—the goal of the organizational reforms implemented on February 1, 2002. Mr. Tsugio Momose, current President and CEO of Digital Media, will be appointed President and CEO of the Ubiquitous Platform Group.

Hitachi, Ltd. (NYSE: HIT), headquartered in Tokyo, Japan, is one of the world's leading global electronics companies with fiscal 2000 (ended March 31, 2001) consolidated sales of \$8,417 billion yen (67.9 billion*). The company manufactures and markets a wide range of products, including computers, semiconductors, consumer products and power and industrial equipment. For more information on Hitachi, Ltd., please visit Hitachi's website at <http://global.hitachi.com>.

*At an exchange rate of 124 yen to the dollar.